

VZCZCXRO5908
OO RUEHCHI RUEHCN RUEHDT RUEHHM
DE RUEHBK #3757/01 3641107
ZNY CCCCC ZZH
O 291107Z DEC 08
FM AMEMBASSY BANGKOK
TO RUEHC/SECSTATE WASHDC IMMEDIATE 5512
INFO RUEAIIA/CIA WASHINGTON DC PRIORITY
RHEFDIA/DIA WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RUEKJCS/SECDEF WASHINGTON DC PRIORITY
RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY
RUEHZA/ASSOCIATION OF SOUTHEAST ASIAN NATIONS
RUEHBJ/AMEMBASSY BEIJING 6652
RUEHBY/AMEMBASSY CANBERRA 9316
RUEHUL/AMEMBASSY SEOUL 5175
RUEHKO/AMEMBASSY TOKYO 1283
RUEHWL/AMEMBASSY WELLINGTON 2543
RUEHCHI/AMCONSUL CHIANG MAI 6015

C O N F I D E N T I A L SECTION 01 OF 04 BANGKOK 003757

SIPDIS

NSC FOR PHU

E.O. 12958: DECL: 12/29/2018

TAGS: [ETRD](#) [PGOV](#) [PHUM](#) [PREF](#) [PREL](#) [PTER](#) [TH](#)

SUBJECT: AMBASSADOR ENGAGES NEW THAI FM KASIT ON ASEAN,
BURMA, CAMBODIA, BOUT, THE SOUTH, REFUGEES, IPR, AND CL

REF: BANGKOK 03707

BANGKOK 00003757 001.2 OF 004

Classified By: DEPUTY CHIEF OF MISSION JAMES F. ENTWISTLE, REASONS 1.4
(b) and (d).

Summary and Comment:

11. (C) Summary: On December 26, Ambassador, accompanied by DCM and poloff, paid a courtesy call on newly appointed Foreign Minister Kasit Piromya. The Ambassador was the first member of Thailand's diplomatic community to call on Kasit. He congratulated Kasit on his appointment and took the opportunity to highlight a range of political and economic issues high on the U.S. policy agenda, including compulsory licensing (CL) and intellectual property rights (IPR) issues, Burma, refugees, southern Thailand, and Viktor Bout. While reaffirming the importance the U.S. places on the bilateral relationship with Thailand, the Ambassador emphasized the need for continued forward movement on these issues. In closing the discussion, the Ambassador told Kasit that, although the U.S. supports free speech and peaceful demonstrations in support of political change, the PAD's airport seizure had hurt Thailand's image. Kasit agreed.

12. (C) Summary continued: FM Kasit responded by saying that he looked forward to a close and constructive relationship with the U.S., and that he was committed to working to the best of his ability to ensure the relationship remained positive and strong. The new government hopes to hold the ASEAN summit in Bangkok the third week of February. He said clean governance and integrity were high on Prime Minister Abhisit policy agenda. This included IPR enforcement and a better dialogue on CL issues. He vowed Thailand's external relationships would not be driven by "vested" interests, including the interests of public companies like EGAT and PTT in Burma. He said Thailand would work to constructively engage Burma on the range of issues that affect Thai-Burma relations, including the repatriation of refugees and cross border issues. Kasit promised to study a non-paper on the Viktor Bout case provided by the Ambassador.

13. (C) Comment: The session was a refreshing and positive

meeting with an interlocutor who appears competent and clearly understands the issues affecting the U.S.-Thai relationship. A former Ambassador in Washington (2004-05), Kasit was forward leaning on all the issues we discussed and reiterated several times his commitment to a positive and constructive relationship with the U.S. While Kasit will undoubtedly advocate Thailand's positions forcefully, his professional focus and understanding of the complexities of the U.S.-Thai relationship will make working with him and the MFA on difficult issues easier. End comment.

Old partner in a new role

14. (SBU) In a meeting on December 26 with the Ambassador, newly-appointed FM Kasit expressed enthusiasm about the new U.S. administration and looked forward to working with the incoming U.S. Secretary of State on a close and constructive relationship. Noting that in the recent past, Thailand had played a passive and reactive role in its relationship to the U.S., just responding to U.S. requests, Kasit vowed Thailand would now be more proactive in planning the direction of the relationship.

ASEAN

15. (SBU) Starting off with a discussion on the ASEAN summit, Kasit told the Ambassador that the summit will likely take place the third week of February, in Bangkok. Plans for the summit would be finalized after the government delivered its policy statement on December 29 or 30; the Cabinet would then meet to approve the framework for the summit and send it to parliament for approval on January 5 or 6. Kasit assured the

BANGKOK 00003757 002.2 OF 004

Ambassador that the RTG still planned for the U.S. Ambassador for ASEAN Affairs, Scott Marciel, to attend as an observer. Kasit said work on the Terms-of-Reference (TOR) for the formation of the ASEAN human rights body was proceeding well; he hoped a first draft would be ready by the beginning of the summit. Kasit opined that the TOR and formation of the human rights body would be an indication of the future direction of ASEAN. He said it would show that ASEAN was working not just for open markets, but for "open societies" as well.

CL, IPR, CSR, and Trade

16. (SBU) On economic issues, Kasit told the Ambassador that he has been engaging the Ministry of Commerce (MoC) to improve coordination on issues such as Compulsory Licensing (CL); the MoC would take the lead on establishing an interagency committee to tackle issues of intellectual property right (IPR) protection enforcement. The Ambassador emphasized to Kasit the importance the U.S. placed on IPR and CL and said the pharmaceutical industry had felt over the last six months that the cards were stacked against it; the Ministry of Health seemed to have taken advantage of confusion within the government to add more CLs without going through the proper process. The pharmaceutical industry sought a better dialogue with the RTG.

17. (SBU) Kasit responded that he had just spoken to the Ministry of Health on this issue. He said he believed there would be another committee to address it, with PREMA (Pharmaceutical Research and Manufacturer Association) represented on the committee. The Democrat-led government of Prime Minister Abhisit was very serious about IPR issues, Kasit maintained, and there would be a strong message in the government's up-coming policy statement about governance and corporate responsibility. He pointed out that Abhisit, in his first cabinet meeting, had emphasized nine precepts to guide his government. The second precept was specifically about honesty and governance. He had recently chaired a seminar at the National Counter Corruption Committee (NCCC)

on corporate social responsibility; the NCCC planned to work with the private sector on this issue. He hoped that a national policy on clean governance and corporate responsibility would translate down to private sector business practices by linking corporate social responsibility to a government body.

18. (SBU) The Ambassador rounded out the discussion on economic issues by commenting on beef imports and trade in general. He thanked Kasit for his forward leaning comments on CL and IPR but stressed that import regulations in the beef industry needed to be liberalized and brought into line with the rest of the region. He emphasized the need to continue moving forward on trade issues; given the global economic climate, trade issues would likely become more difficult to resolve before they get easier, making forward movement essential.

Burma and Refugees: A Clean Slate

19. (C) In response to the Ambassador's inquiry about the new Thai government's Burma policy, Kasit said that PM Abhisit had made it clear to the Cabinet that vested interests would not drive Thailand's external relationships. Kasit said he planned on talking to Burma on a whole range of issues, and that the vested interests that drove Thailand's past relationship with Burma (including the activities of companies and state agencies such as EGAT (the Electricity Generation Authority of Thailand) and PTT (the Petroleum Authority of Thailand)) would no longer drive policy. With such interests out of the way, the Thai and Burmese would start on a clean policy slate and spend more time addressing cross-border issues, such as trafficking in persons, drugs, and smuggling. Kasit said the ASEAN charter would give them the means to address these issues in a constructive manner.

110. (C) On refugee issues, Kasit thanked the U.S. for the

BANGKOK 00003757 003.2 OF 004

Burmese resettlement program, which last year took 14,000 Burmese to the U.S. He said he had recently traveled to Mae Sot and found the physical conditions in the camps "not encouraging," and not healthy. He was particularly concerned about infrastructure issues; there was a need for more investment in education and vocational training for children, so they would come out of the camps with some ability to do something. He said he planned on reviewing the entire refugee policy approach and would have internal discussions with the National Security Council and Ministry of Interior on better coordination with international NGOs.

111. (C) Kasit added, however, that there also needed to be a discussion with the Burmese government on repatriation. Since the resettlement program had created a "pull" factor, Thailand must work with Burma and somehow eliminate the pull factor. On the Lao Hmong, Kasit agreed with the Ambassador that the issue of repatriating Hmong to Laos was extremely complicated because of the deep social divisions between the Hmong and the Lao government. Kasit said Abhisit planned to go to Laos in January on his first foreign visit and hoped to address this issue. Kasit nodded when the Ambassador said the situation of the Hmong at the Nong Kai immigration detention center, many of them children, needed to be resolved as well.

Cambodia and resolving border disputes

112. (SBU) Kasit said the issue of negotiating with Cambodia over the border dispute near the Preah Vihear temple would be resubmitted to the cabinet for discussion. Thailand needed to respect the early 1960s World Court decision on the temple. There remained, however, according to Kasit, five other spots along the border that needed to be resolved through negotiations with Cambodia. He reaffirmed plans to

retain Ambassador Vasin Tearavechyon as the Thai co-chair of the Thai-Cambodia Joint Border Commission. He said that he was encouraged that Cambodian Prime Minister Hun Sen had been the first foreign leader to congratulate PM Abhisit (by letter).

Plans for Southern Thailand

¶13. (C) On possible new approaches to address the unrest in southern Thailand, Kasit said that the forthcoming policy statement would contain a section on a new draft law to establish a coordinating agency, under Deputy Prime Minister Suthep Thaugsuban, for the deep south. Kasit affirmed that the Democrat-led government would attempt a comprehensive plan for dealing with the insurgency that would extend beyond security measures and focus heavily on addressing issues of justice, economics, and culture. Foremost, he said, the government must be sensitive to the needs of the local people. He said that although there would be a push for large-scale infrastructure projects, the government will first take steps to ensure money that has been budgeted for the south actually gets to the places where it is needed. An additional 100 billion baht (\$3 billion) would then be allocated to deal with the situation. The money would be used for, among other things, development of the halal food industry and a project involving a land bridge to connect sea ports on the Gulf of Siam to the Andaman Sea (as an alternative to using the Strait of Malacca).

¶14. (C) According to Kasit, the government's approach to the south would be marked by a willingness to talk. He said cooperation with both Indonesia and Malaysia would be welcome, and the RTG planned to follow-up on offers of assistance from both these countries. He said they must also take stock of what had happened to negotiations since Surayud Chulanont was Prime Minister (through February 2007). There were promises and commitments made; the new administration needed to figure out what had happened to these commitments.

Bout

BANGKOK 00003757 004.2 OF 004

¶15. (SBU) The Ambassador highlighted to Kasit the importance the USG places on the extradition proceedings of indicted Russian arms trafficker Viktor Bout, noting that the U.S. remained patient, but looked forward to an eventual extradition. Kasit responded by saying PM Abhisit was very committed to the rule of law and integrity. He said the MFA would closely monitor the proceedings (note: Bout's extradition hearing went into recess December 23, scheduled to resume on March 6, 2009, a year after he was initially taken into Thai custody). The Ambassador gave Kasit a non-paper on the status of the Bout case, which the Foreign Minister promised to study.

JOHN